



DISASTER NEWS

Economic Injury Loans for Small Businesses

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SBA DISASTER LOAN DEADLINE IS APRIL 25

SMALL BUSINESS OWNERS STILL HAVE TIME TO APPLY

MINNEAPOLIS - The U.S. Small Business Administration (SBA) is reminding businesses that April 25 is the filing deadline for federal disaster loans that are available to small, non-farm, agriculture-dependent businesses located in the counties of Aitkin, Beltrami, Benton, Clearwater, Dakota, Grant, Itasca, Kittson, Koochiching, Lake of the Woods, Marshall, Mille Lacs, Pennington, Roseau, Traverse, Washington and Wilkin and the contiguous counties of Anoka, Becker, Big Stone, Carlton, Cass, Chisago, Clay, Crow Wing, Douglas, Goodhue, Hennepin, Hubbard, Isanti, Kanabec, Mahnommen, Morrison, Otter Tail, Pine, Polk, Pope, Ramsey, Red Lake, Rice, Scott, Sherburne, St. Louis, Stearns, and Stevens in the State of Minnesota.

“SBA’s disaster declaration was issued as a result of a similar action taken by the Secretary of Agriculture to help farmers recover from damages and losses to crops caused by excessive rainfall, hail and high winds that occurred on May 7, 2005 and continuing,” according to Frank Skaggs, Director of SBA Field Operations East.

Under this declaration, SBA’s Economic Injury Disaster Loan (EIDL) program is available to small, non-farm, agriculture-dependent businesses and small agricultural cooperatives that suffered economic injury as a direct result of the weather’s effect on agricultural producers. A business that sells goods/services to agricultural producers may be unable to pay bills and/or meet expenses because of the reduced purchasing power of farmers and ranchers. Examples of eligible businesses are, but not limited to, farm implement dealers, seed and feed stores and spraying and irrigation businesses. Farmers and ranchers are not eligible to apply to SBA.

Eligible small businesses may qualify for loans up to \$1.5 million. These loans are available at 4.000 percent interest rate with loan terms up to 30 years. SBA determines eligibility for the program based on the size and type of business and its financial resources. Loan amounts and terms are set by SBA and are based upon each applicant’s financial condition. Under this disaster declaration, SBA cannot provide loans to agricultural producers, and cannot provide loans to non-agricultural dependent businesses.

“SBA can help these small businesses overcome their economic injuries by offering these working capital loans, but the help cannot start until they apply,” Skaggs added.

Interested business owners should contact SBA Disaster Assistance Customer Service Center by calling the toll-free 1-800-659-2955 or visit SBA’s website at www.sba.gov/disaster for more information and to obtain a loan application. The Telecommunications Device for the Deaf (TDD) and speech impaired number is 1-800-877-8339. Completed applications should be returned to: U. S. Small Business Administration, National Processing and Disbursement Center, 14925 Kingsport Highway, Fort Worth, TX 76155.

Completed loan applications must be returned to SBA no later than April 25, 2006.

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For more information about the SBA’s Disaster Loan Programs, visit our website at www.sba.gov/disaster